



NEW HAVEN UNIFIED SCHOOL DISTRICT

BUDGET ADOPTION

- **Governor's Budget**
- **Budget 2007-08**
- **Multi-year Projections**

Presented By:

Enrique Palacios, Acting *Chief Business Officer*
Cal Scheid, *Director of Fiscal Services*

June 19, 2007

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Focus of Discussion

- **What is happening in Sacramento**
- **Comparison of 2006-07 Budget from Adoption to Estimated Actuals**
- **2007-08 Budget**
- **Multi-Year Forecast**
- **Next Steps**

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What is Happening in Sacramento

- **COLA increased to 4.53%**
- **No Deficit Reduction**
- **No Equalization Aid**
- **No Mandated Cost Reimbursement**
- **No Softer Landing for Declining Enrollment**
- **Budget Error of \$350 million in ongoing equalization funds in 2007-08**

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Unrestricted General Fund Comparison

	2006-07 Adopted Budget (June 2006)	2006-07 Estimated Actuals (June 2007)	Difference
Revenues	\$76,905,291	\$77,374,748	\$ 469,457
Expenses	\$70,236,377	\$70,186,300	\$50,079

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Unrestricted General Fund Expense Changes (Adopted to Estimated Actuals)

- **Salaries and Benefits increased by \$299,054**
- **Supplies and Operating Expenses decreased by \$116,643**
- **Indirect/Direct Cost Support decreased by \$268,115**
- **Total Net Unrestricted Expenses increased by \$50,079**

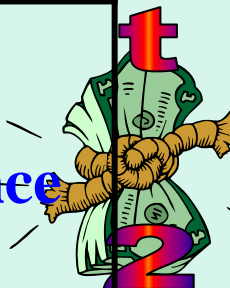
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Restricted General Fund Comparison

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	2006-07 Adopted Budget June 2005	2006-07 Estimated Actuals June 2006	Difference
Revenues	\$22,863,534	\$30,475,690	\$ 7,612,156
Expenses	\$30,600,072	\$36,644,950	\$ 6,044,878



Restricted General Fund Revenue Changes

- **Carry over and Deferred Revenue put into budgets**
- **Expenses budgeted to match revenues and most spent during 2006-07 fiscal year**
- **Expense budgets lowered to show carry over of \$4,303,480. At Unaudited Actual Report more dollars will be identified as unspent.**





Fund Balance for the Unrestricted General Fund

YEAR	AMOUNT
2006-07	\$5,288,960
2007-08	\$3,429,881
2008-09	\$4,672,359
2009-10	\$6,679,519

Any ongoing commitment of these funds will impact the amount of undesignated Resources in future years.



Positive Financial Health Indicators

- **3% Reserve for Economic Uncertainty in place**
- **3% Restricted Maintenance Program maintained**
- **Strategic Plan funded**
- **Budget balanced for 2007-08**

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Negative Financial Health Indicators

- **Salaries and Benefits in Unrestricted General Fund Budget are approx. 95% of expenditures 85% is desirable**
- **Enrollment continues to decline**

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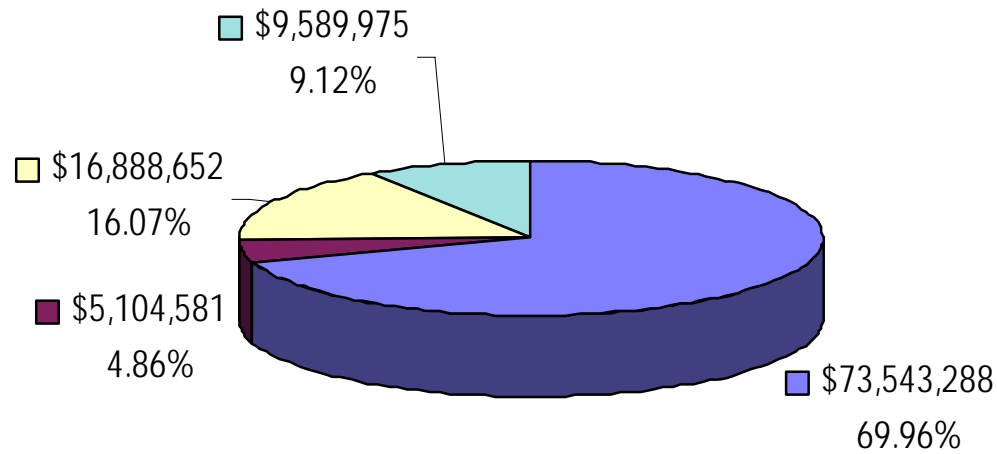




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Total Revenue
Proposed Budget 2007-08



- Revenue Limit
- Federal Revenue
- Other State Revenue
- Other Local Revenue

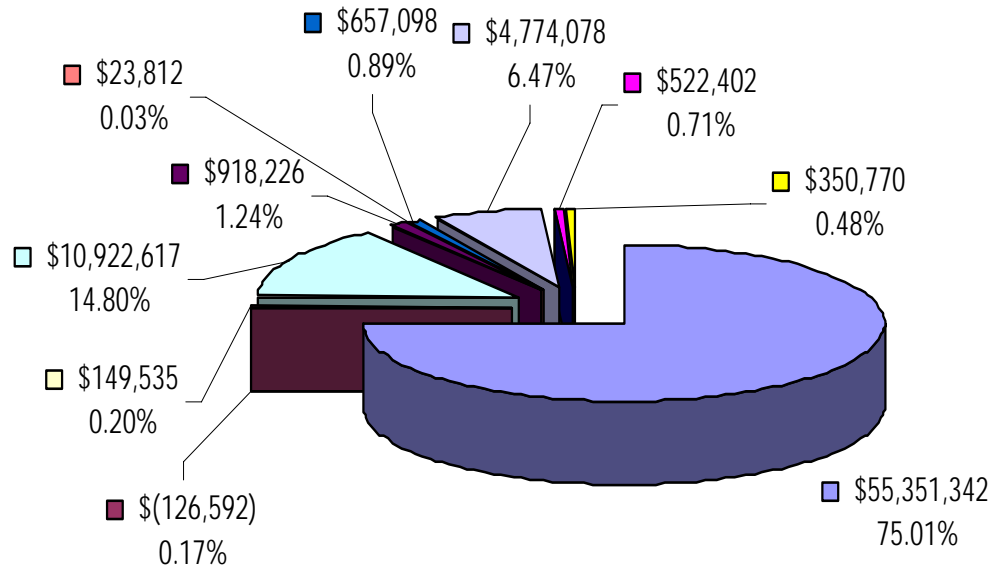


DISTRICT REVENUE - Detail

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Revenue Limit Sources



Total: \$73,543,288

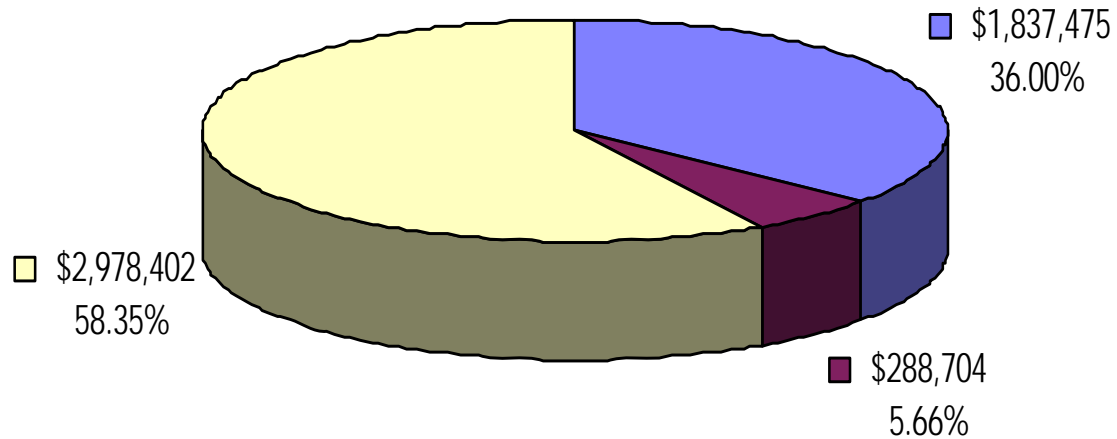
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| ■ REVENUE LIMIT 2007-08 | ■ REVENUE LIMIT PRIOR YRS | ■ HOMEOWNERS EXEMPTION |
| ■ SECURED TAX ROLLS | ■ UNSECURED ROLL TAXES | ■ PRIOR YEARS' TAXES |
| ■ SUPPLEMENTAL TAXES | ■ ED REVENUE AUGMENT FUND (ERAF) | ■ REVENUE LIMIT TRANSFERS |
| ■ PERS REDUCTION TRANSFER | ■ PROPERTY TAXES TRANSFERS | |



DISTRICT REVENUE - Detail

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Federal Revenue



Total: \$5,104,581

- SP ED-ENTITLEMENT
- SP ED DISCRETIONARY FED GRANTS
- ALL OTHER FEDERAL REVENUES

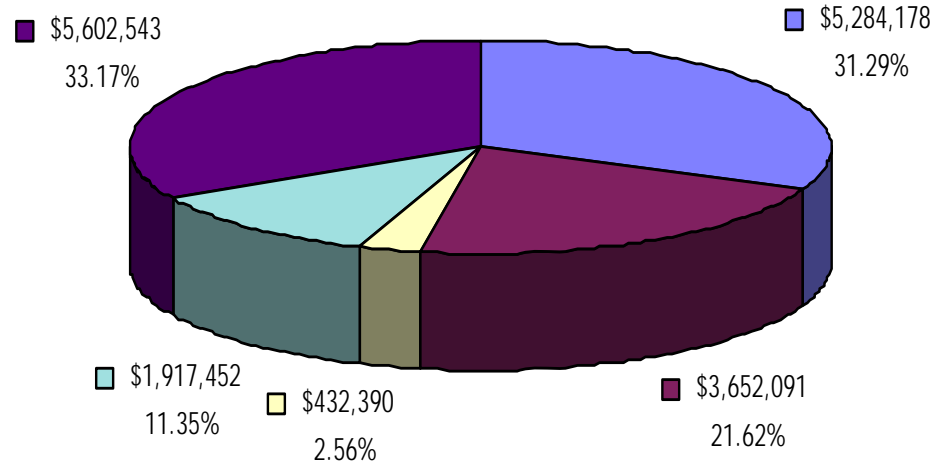


DISTRICT REVENUE - Detail

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Other State Revenue



Total: \$16,888,654

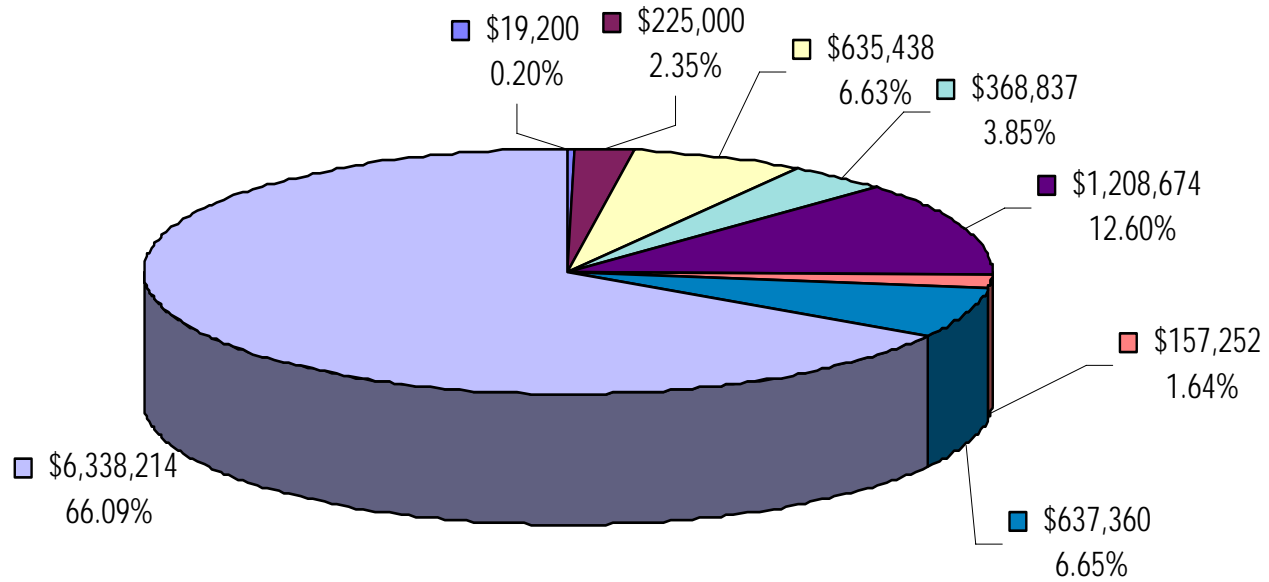
- OTHER STATE APPORTIONMENTS
- CLASS SIZE REDUCTION, 9-12
- ALL OTHER STATE REVENUES
- CLASS SIZE REDUCTION, K-3
- STATE LOTTERY REVENUE



DISTRICT REVENUE - Detail

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Other Local Revenue



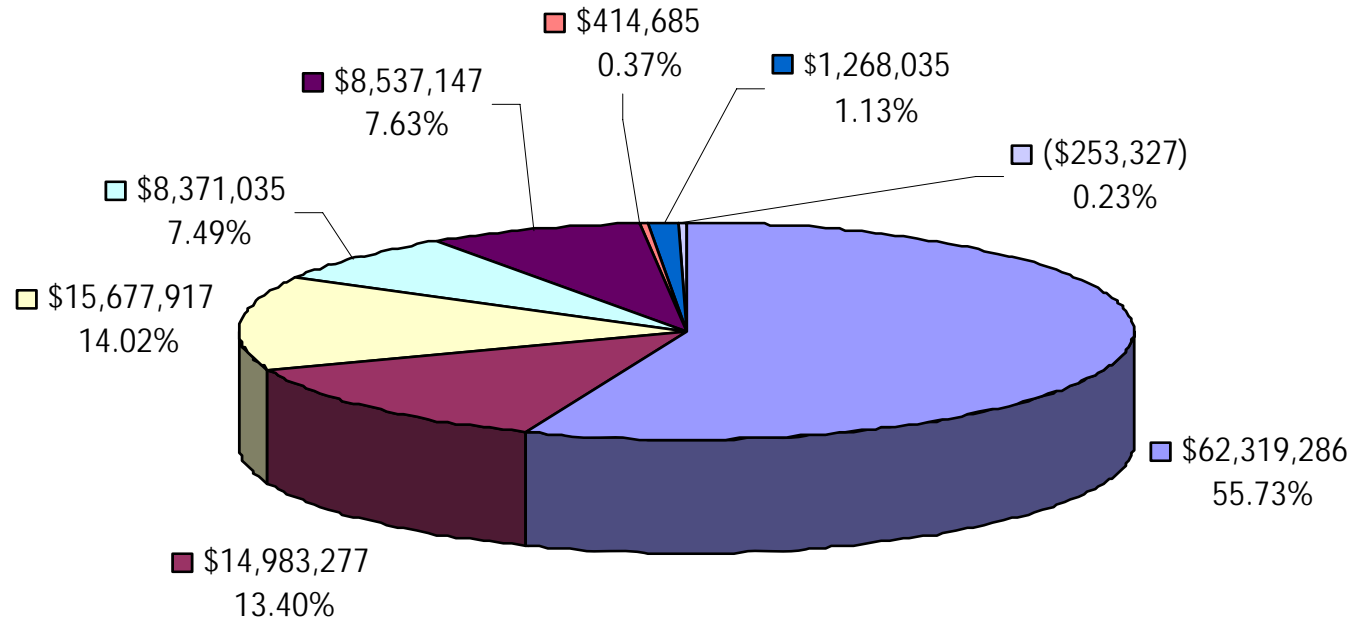
Total: \$9,589,975

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| ■ SALES OF EQUIPMENT/SUPPLIES | ■ LEASES & RENTALS | ■ INTEREST |
| ■ TRANSPORTATION FEES FROM INDIV | ■ INTERAGENCY SVCS BETWEEN LEA'S | ■ ALL OTHER FEES & CONTRACTS |
| ■ ALL OTHER LOCAL REVENUES | ■ TRANS OF APPORTION FROM DIST | |



DISTRICT EXPENDITURE

**District Expenditure
Proposed Budget: 2007-2008**



Certificated Wages	Classified Wages	Employee Benefits	Books & Supplies
Other Operating Expenses	Capital Outlay	Other Outgo	Direct Support/Indirect Cost

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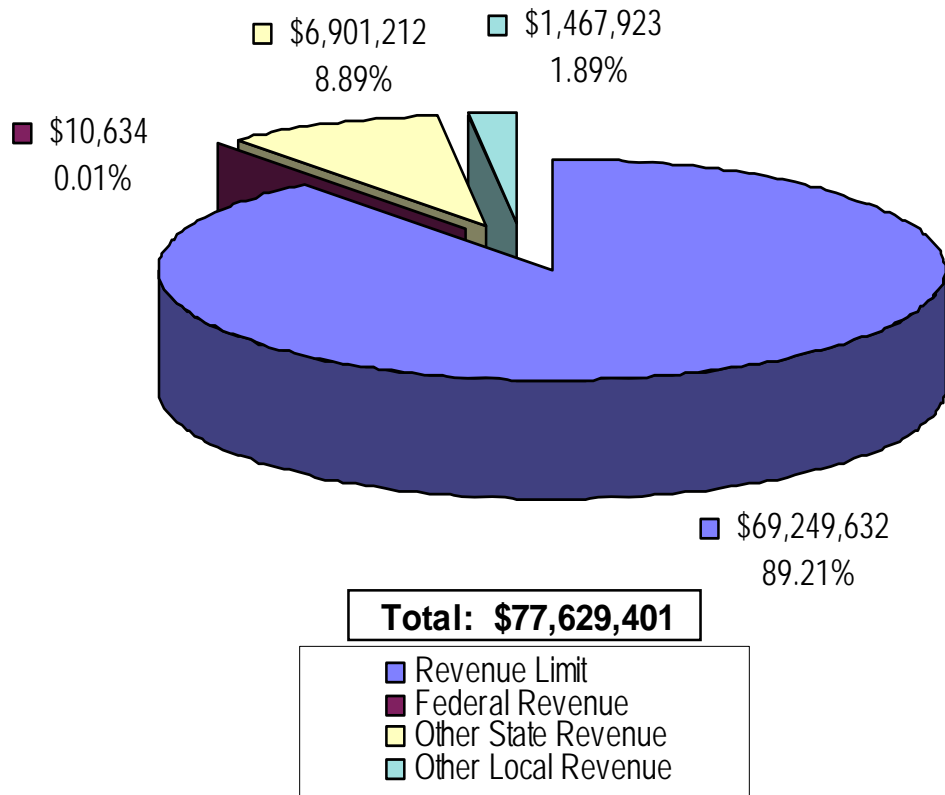


DISTRICT GENERAL FUND

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Revenue UnRestricted General Fund



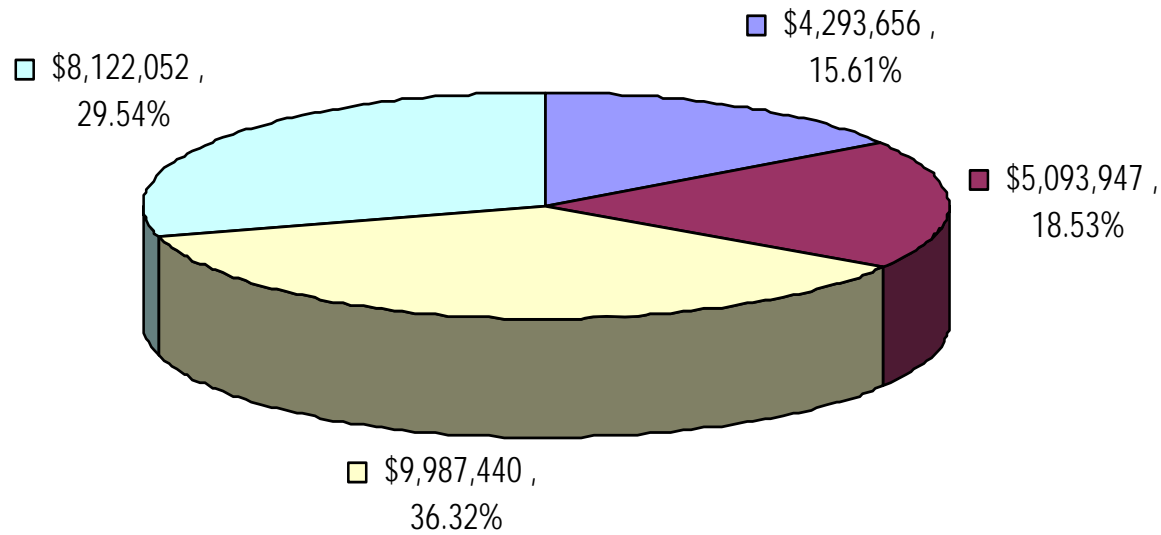


DISTRICT GENERAL FUND

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Restricted General Fund Revenue



Total: 27,497,095

- Revenue Limit
- Federal Revenue
- Other State Revenue
- Other Local Revenue

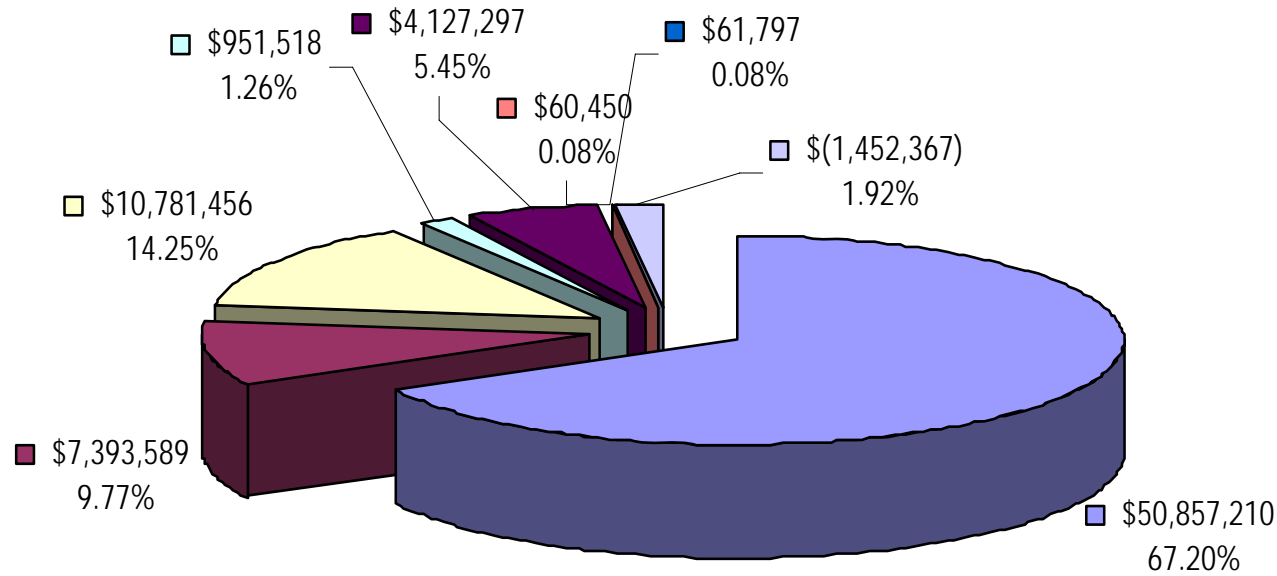


DISTRICT GENERAL FUND

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Expenditure UnRestricted General Fund



Total: \$72,780,946

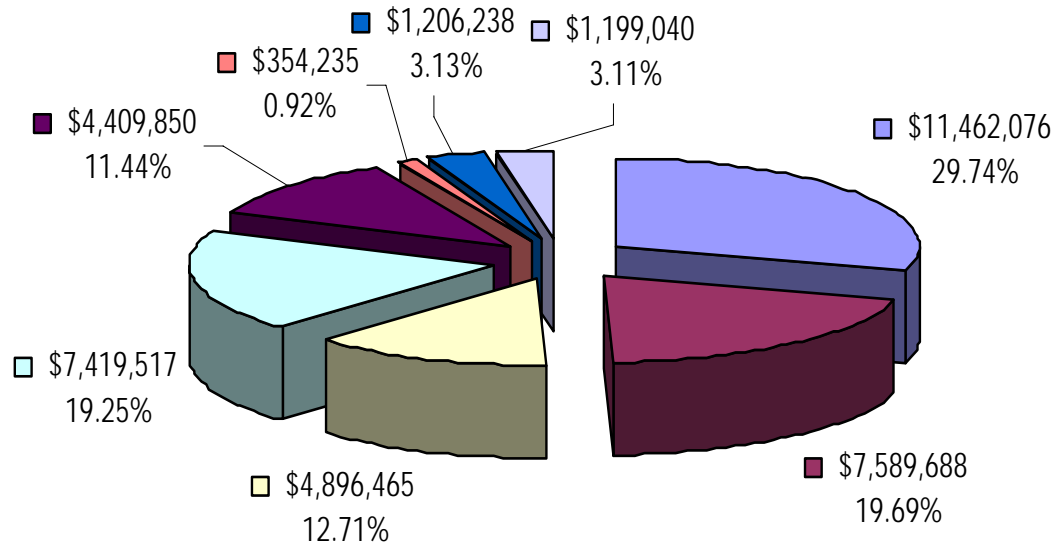
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| ■ Certificated Wages | ■ Classified Wages |
| ■ Employee Benefits | ■ Books & Supplies |
| ■ Other Operating Expenses | ■ Capital Outlay |
| ■ Other Outgo | ■ Direct Support/Indirect Cost |



DISTRICT GENERAL FUND

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Restricted General Fund Expenditure



Total: 38,537,109

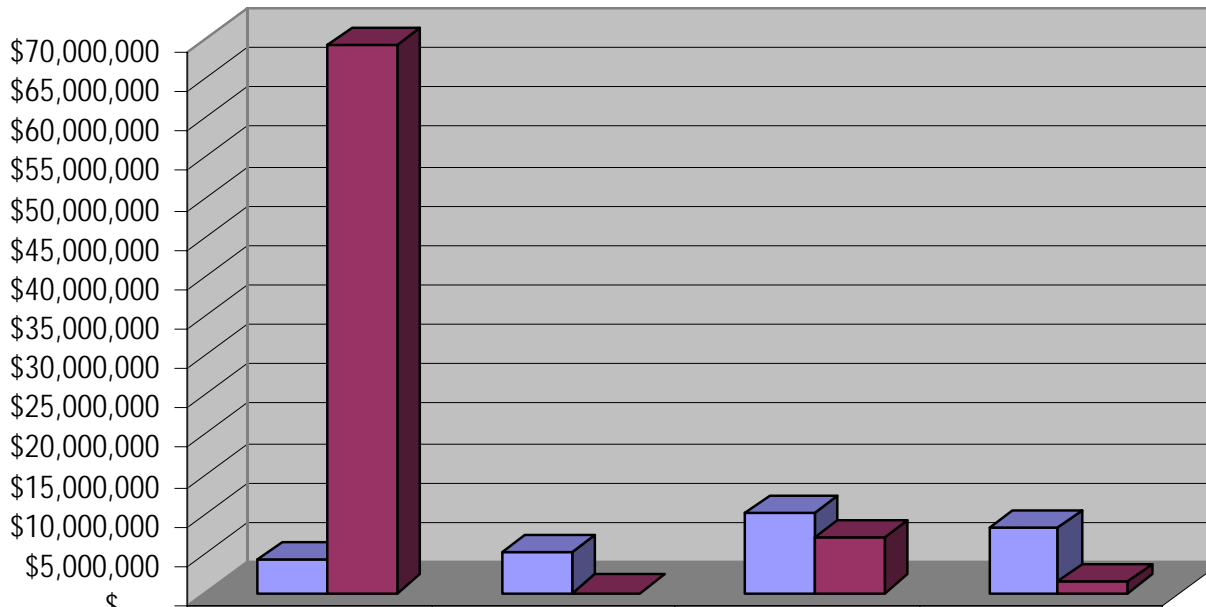
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| ■ Certificated Wages | ■ Classified Wages | ■ Employee Benefits |
| ■ Books & Supplies | ■ Other Operating Expenses | ■ Capital Outlay |
| ■ Other Outgo | ■ Direct Support/Indirect Cost | |



GENERAL FUND - SUMMARY

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Total General Fund Revenue



	Revenue Limit	Federal Revenue	Other State Revenue	Other Local Revenue
Restricted	\$4,293,656	\$5,093,947	\$9,987,440	\$8,122,052
UnRestricted	\$69,249,632	\$10,634	\$6,901,212	\$1,467,923

Revenue Sources

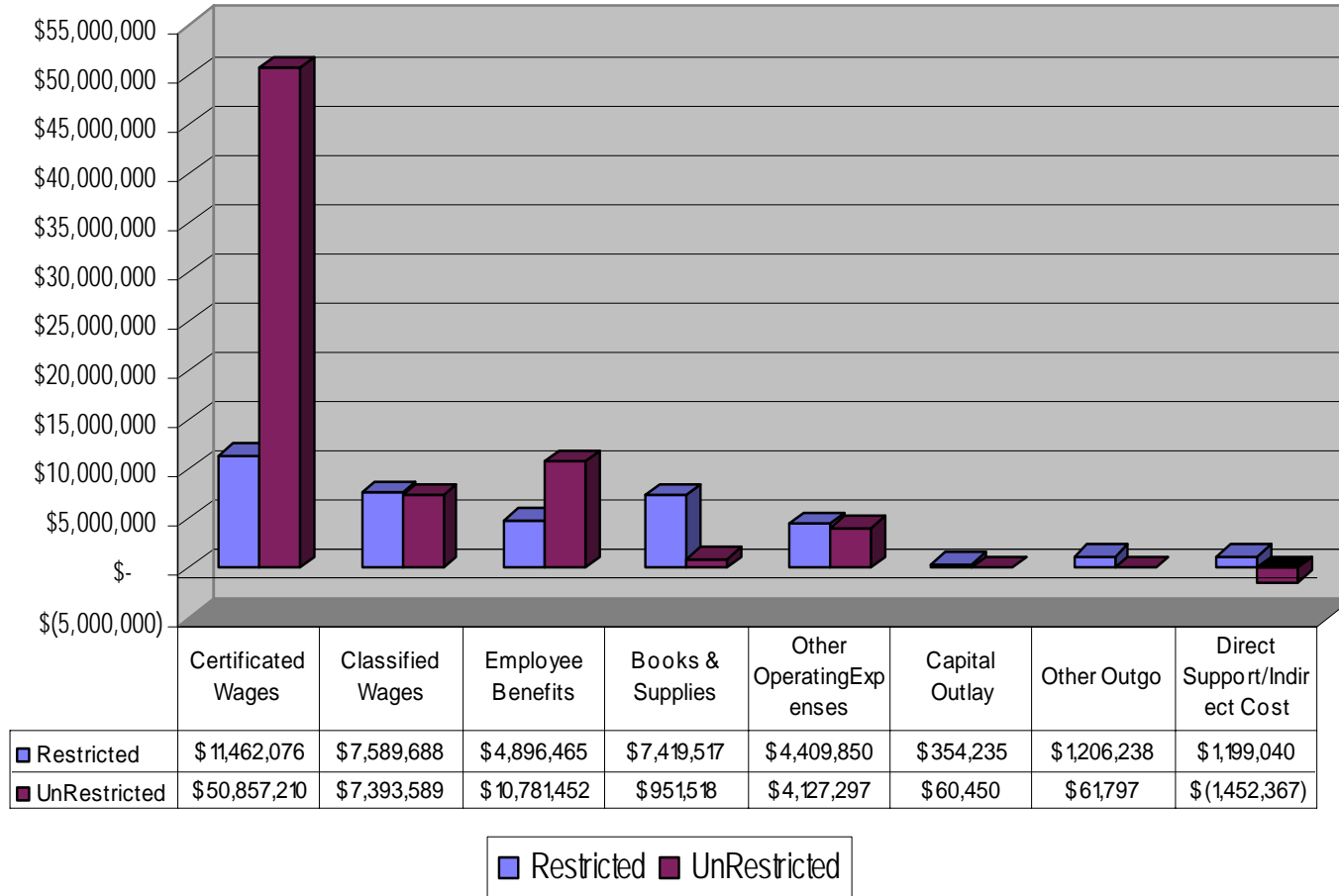
■ Restricted
 ■ UnRestricted



GENERAL FUND - SUMMARY

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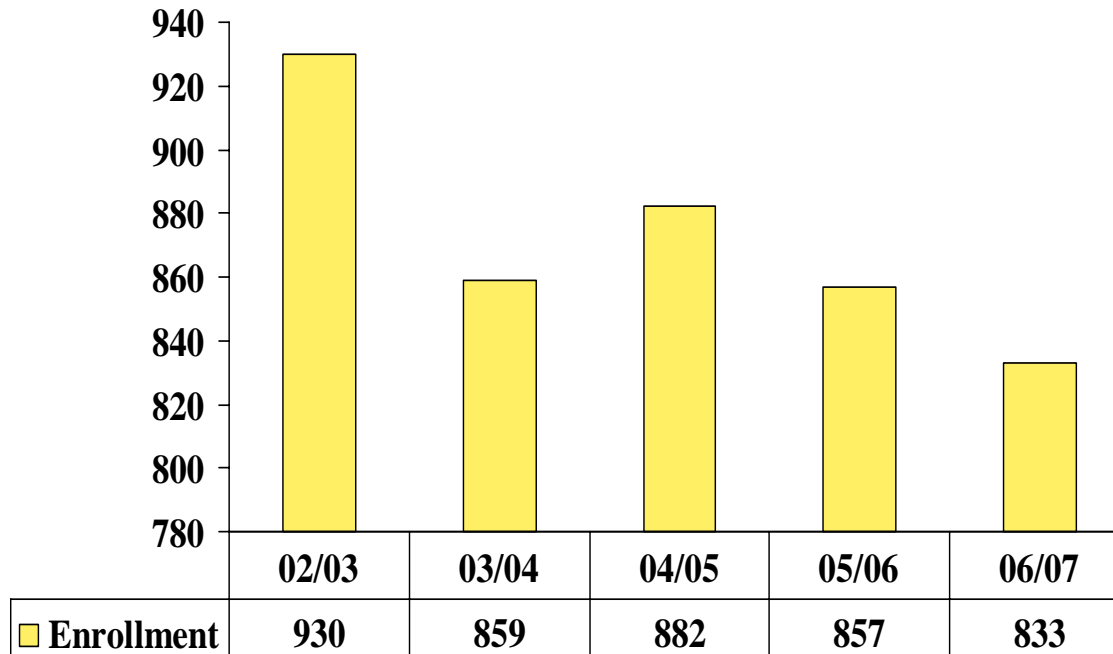
Total General Fund Expenditure





Kindergarten Enrollment – 5 Year History

(Excludes Special Education Students)



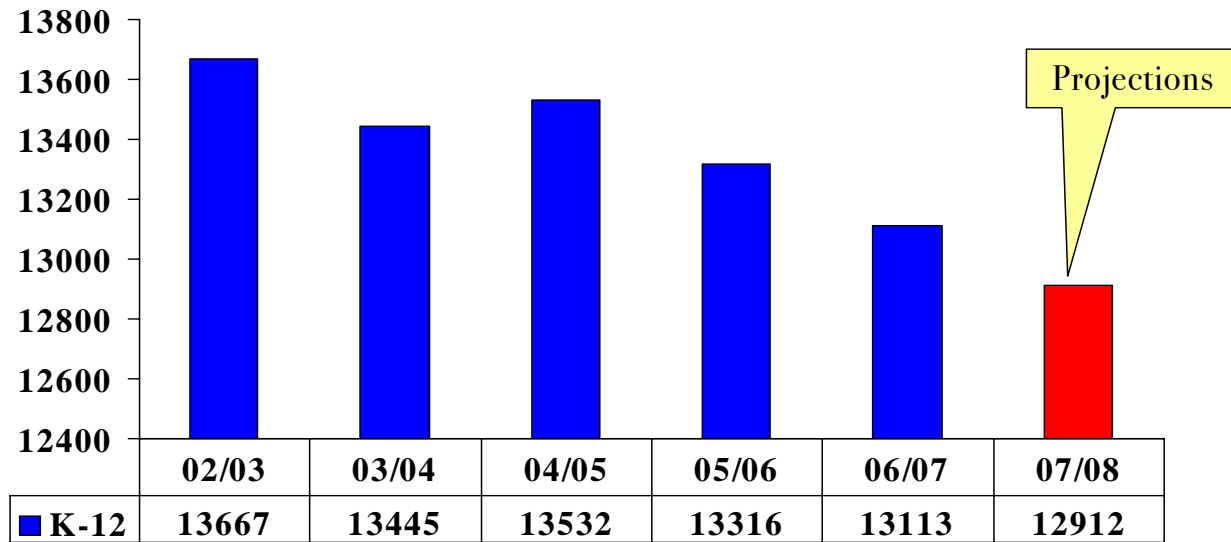
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District Wide History & Forecast 2007-2008

Regular Education Projections = Kindergarten 5 Year Low Return Ratio; Grades 1-12
 3 Year Average Return Ratio
 Special Day Class & Home Schooling Students = 454 Students (06/07 Enrollment)



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Multi-Year Assumptions Revenues

- Enrollment is based upon 12,585 students for 2007-08; 12,385 students for 2008-09; and 12,185 students for 2009-10
- Use of Medi-Cal Administration payments for ongoing expenses budgeted flat annually
- COLA of 4.53% for 2007-08, 3.7% for 2008-09, and 2.6% for 2009-10
- Indirect cost rate will decrease to 3.7% in 2007-08





Multi-Year Assumptions Expenses

- **Salary and Benefit Increases are in budgets for 2007-08. No increases in budget for 2008-09 and 2009-10**
- **\$731,355 budgeted to pay early retirement annuity for next two years**
- **Starting in 2007-08, \$700,000 budgeted annually for Step and Column movement**



**New Haven Unified School District
Budget Adoption: 2007-08**

General Fund Multi-Year Projection

DESCRIPTION	Object Code Range	JUNE 2007 ESTIMATED ACTUALS 2006-07 Budget			JUNE 2007 NEXT YEAR BUDGET 2007-08			JUNE 2007 FUTURE YEAR BUDGET 2008-09			JUNE 2007 FUTURE YEAR BUDGET 2009-10		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
REVENUES:													
Revenue Limit	8000-8099	\$68,271,969	\$3,753,611	\$72,025,580	\$69,249,632	\$4,293,656	\$73,543,288	\$70,375,631	\$4,452,521	\$74,828,152	\$70,761,289	\$4,568,287	\$75,329,576
Federal Revenue	8100-8299	\$10,634	\$5,631,550	\$5,642,184	\$10,634	\$5,093,947	\$5,104,581	\$10,634	\$4,777,336	\$4,787,970	\$10,634	\$4,777,336	\$4,787,970
Other State Revenue	8300-8599	\$7,461,143	\$12,853,625	\$20,314,768	\$6,901,212	\$9,987,440	\$16,888,652	\$7,156,557	\$10,356,975	\$17,513,532	\$7,342,627	\$10,626,257	\$17,968,884
Other Local Revenue	8600-8799	\$1,631,002	\$8,236,904	\$9,867,906	\$1,467,923	\$8,122,052	\$9,589,975	\$1,332,518	\$7,267,893	\$8,600,411	\$1,334,455	\$7,267,893	\$8,602,348
Total Revenues		\$77,374,748	\$30,475,690	\$107,850,438	\$77,629,401	\$27,497,095	\$105,126,496	\$78,875,340	\$26,854,726	\$105,730,065	\$79,449,006	\$27,239,772	\$106,688,778
EXPENDITURES:													
Certificated Wages	1000-1999	\$49,007,031	\$12,618,812	\$61,625,843	\$50,857,210	\$11,462,076	\$62,319,286	\$50,144,290	\$11,569,130	\$61,713,420	\$49,674,290	\$11,569,130	\$61,243,420
Classified Wages	2000-2999	\$7,437,096	\$7,337,311	\$14,774,407	\$7,393,589	\$7,589,688	\$14,983,277	\$7,090,635	\$7,291,912	\$14,382,547	\$7,090,635	\$7,291,912	\$14,382,547
Employee Benefits	3000-3999	\$10,175,717	\$4,943,251	\$15,118,968	\$10,781,452	\$4,896,465	\$15,677,917	\$9,729,937	\$4,662,795	\$14,392,732	\$9,650,037	\$4,715,261	\$14,365,298
Books & Supplies	4000-4999	\$830,241	\$3,566,739	\$4,396,980	\$951,518	\$7,419,517	\$8,371,035	\$968,284	\$4,139,455	\$5,107,739	\$995,396	\$4,255,360	\$5,250,756
Other Operating Expenses	5000-5999	\$4,181,416	\$5,051,230	\$9,232,646	\$4,127,297	\$4,409,850	\$8,537,147	\$4,230,479	\$3,532,556	\$7,763,035	\$4,348,933	\$3,631,468	\$7,980,400
Capital Outlay	6000-6999	\$73,126	\$104,743	\$177,869	\$60,450	\$354,235	\$414,685	\$31,200	\$21,612	\$52,812	\$61,200	\$21,611	\$82,811
Other Outgo +7439	7100-7299	\$65,007	\$1,729,725	\$1,794,732	\$61,797	\$1,206,238	\$1,268,035	\$71,285	\$1,186,771	\$1,258,056	\$71,285	\$1,186,771	\$1,258,056
Direct Support/Indirect Cost	7300-7399	(\$1,583,335)	\$1,293,139	(\$290,196)	(\$1,452,367)	\$1,199,040	(\$253,327)	(\$1,465,693)	\$1,215,812	(\$249,881)	(\$1,465,693)	\$1,215,812	(\$249,881)
Total Expenditures		\$70,186,298	\$36,644,950	\$106,831,249	\$72,780,946	\$38,537,109	\$111,318,055	\$70,800,418	\$33,620,043	\$104,420,461	\$70,426,083	\$33,887,324	\$104,313,407
Excess (Deficiency) Of Revenues Over Expenses Before Other Sources		\$7,188,450	(\$6,169,260)	\$1,019,189	\$4,848,455	(\$11,040,014)	(\$6,191,559)	\$8,074,922	(\$6,765,317)	\$1,309,605	\$9,022,923	(\$6,647,551)	\$2,375,371
OTHER FINANCING SOURCES:													
Interfund Transfers In	8910-8929	\$237,498	\$2,425,606	\$2,663,104	\$127,586	\$1,685,000	\$1,812,586	\$254,243	\$1,556,640	\$1,810,883	\$254,243	\$1,556,640	\$1,810,883
Interfund Transfers Out	7610-7629	(\$36,000)	(\$556,640)	(\$592,640)	(\$36,000)	(\$585,000)	(\$621,000)	(\$36,000)	(\$522,102)	(\$558,102)	(\$36,000)	(\$521,567)	(\$557,567)
Other Sources	8930-8979												
Other Uses	7630-7699												
Contributions to Restricted Pgs	8980-8999	(\$6,280,936)	\$6,280,936	\$0	(\$6,799,120)	\$6,799,120	\$0	(\$7,050,687)	\$7,050,687	\$0	(\$7,234,005)	\$7,234,005	\$0
Total Sources		(\$6,079,438)	\$8,149,902	\$2,070,464	(\$6,707,534)	\$7,899,120	\$1,191,586	(\$6,832,444)	\$8,085,225	\$1,252,781	(\$7,015,762)	\$8,269,078	\$1,253,316
NET INCREASE (DECREASE) IN FUND BALANCE		\$1,109,012	\$1,980,642	\$3,089,653	(\$1,859,079)	(\$3,140,894)	(\$4,999,973)	\$1,242,478	\$1,319,908	\$2,562,385	\$2,007,160	\$1,621,527	\$3,628,687
FUND BALANCE													
Budgeted Beginning Fund Balance		\$4,305,094	\$2,322,838	\$6,627,932	\$5,288,960	\$4,303,480	\$9,592,439	\$3,429,881	\$1,162,586	\$4,592,466	\$4,672,359	\$2,482,493	\$7,154,852
Adjustments for Unaudited Actuals		(\$125,146)	\$0	(\$125,146)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit Adjustments/Restatements													
Adjusted Beginning Fund Balance		\$4,179,948	\$2,322,838	\$6,502,786	\$5,288,960	\$4,303,480	\$9,592,439	\$3,429,881	\$1,162,586	\$4,592,466	\$4,672,359	\$2,482,493	\$7,154,852
Ending Fund Balance		\$5,288,960	\$4,303,480	\$9,592,439	\$3,429,881	\$4,162,586	\$4,592,466	\$4,672,359	\$2,482,493	\$7,154,852	\$6,679,519	\$4,104,020	\$10,783,539
COMPONENTS OF FUND BALANCE													
Reserved Amounts (revolving)		\$51,000		\$51,000	\$51,000		\$51,000	\$51,000		\$51,000	\$51,000		\$51,000
Other, Prepaid		\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0
Legally Restricted		\$0	\$4,303,480	\$4,303,480	\$0	\$1,162,586	\$1,162,586	\$0	\$0	\$0	\$0		\$0
Site Carry Over		\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0
Total Components		\$51,000		\$51,000	\$51,000		\$51,000	\$51,000		\$51,000	\$51,000		\$51,000
3% Economic Uncertainty Reserve for Strategic Plan		\$3,222,717		\$3,222,717	\$3,359,000		\$3,359,000	\$3,152,884		\$3,152,884	\$3,189,521		\$3,189,521
Additional District Reserve (Mandates)		\$0		\$0	\$0		\$0	\$200,000		\$200,000	\$0		\$0
Other Designations - 60% D.Reduction		\$858,289		\$858,289	\$0		\$0	\$0		\$0	\$0		\$0
Undesignated Fund Balance		\$1,156,954	\$4,303,480	\$5,460,433	\$19,881	\$1,162,586	\$1,182,466	\$1,268,475	\$2,482,493	\$3,750,968	\$3,438,998	\$4,104,020	\$7,543,018



Preparing for What Lies Ahead

- It appears State Budget will be on time
- 45-Day Update to Adopted Budget
- We will have both on-going and one-time dollars – with strings attached

This is a Keep-It-Steady Budget!

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